

Multiple Agency Fiscal Note Summary

Bill Number: 1902 HB	Title: Improving budget transparency by consolidating accounts into the state general fund.
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Estimated Cash Receipts

Agency Name	2009-11		2011-13		2013-15	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost. Please see discussion."					
Office of Financial Management	2,940,792,720	0	3,262,931,608	0	3,529,186,827	0
Total \$	2,940,792,720	0	3,262,931,608	0	3,529,186,827	0

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2009-11			2011-13			2013-15		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	.0	2,930,088,000	0	.0	3,153,932,371	0	.0	3,411,293,253	0
Total	0.0	\$2,930,088,000	\$0	0.0	\$3,153,932,371	\$0	0.0	\$3,411,293,253	\$0

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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Prepared by: Mike Woods, OFM	Phone: 360-902-9819	Date Published: Pending Distribution
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Individual State Agency Fiscal Note

Bill Number: 1902 HB	Title: Improving budget transparency by consolidating accounts into the state general fund.	Agency: 090-Office of State Treasurer
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
Fund					
Total \$					

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact:	Lisa McCollum	Phone: 360-786-7155	Date: 01/30/2009
Agency Preparation:	Dan Mason	Phone: 360-902-9090	Date: 02/04/2009
Agency Approval:	Dan Mason	Phone: 360-902-9090	Date: 02/04/2009
OFM Review:	Mike Woods	Phone: 360-902-9819	Date: 02/04/2009

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

HB 1902 consolidates various accounts into the general fund. Earnings from investments for the public safety and education account, education legacy trust account, pension funding stabilization account, and health services account will now be credited to the general fund.

Earnings from investments:

The amount of earnings by an account is a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period in question. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursements, and transfers can have different average balances, and hence different earnings.

There will be an impact to the earnings; however, the actual earnings will be determined more by the impact to the average daily balance than the amount of increases or decreases in receipts, disbursements, and transfers. Currently, estimated earnings are indeterminable. Without projected monthly estimates of receipts, disbursements, and transfers, OST is unable to estimate the changes to the average balance of the account and the impact to earnings.

Based on the November 2008 Revenue Forecast, the net rate for estimating earnings for FY 10 is 0.62% and FY 11 is 1.56%. Approximately \$6,200 in FY 10 and \$15,600 in FY 11 in net earnings and \$5,000 in OST management fees would be gained or lost annually for every \$1 million increase or decrease in average daily balance.

Debt Limit:

There may be an impact on the debt service limitation calculation. Any change to the deposits and earnings credited to the general fund may change, by an equal amount, general state revenues.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

HB 1902 consolidates various accounts into the general fund. Earnings from investments for the public safety and education account, education legacy trust account, pension funding stabilization account, and health services account will now be credited to the general fund.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years					
Total:					

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 1902 HB	Title: Improving budget transparency by consolidating accounts into the state general fund.	Agency: 105-Office of Financial Management
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Part I: Estimates



No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2010	FY 2011	2009-11	2011-13	2013-15
General Fund-State 001-1	1,402,834,760	1,537,957,960	2,940,792,720	3,262,931,608	3,529,186,827
Public Safety and Education Account-State 02v-1	(97,248,000)	(105,331,720)	(202,579,720)	(223,471,777)	(241,707,074)
Education Legacy Trust Account-State 08a-1	(232,827,360)	(252,229,640)	(485,057,000)	(535,130,405)	(578,797,045)
Equal Justice Subaccount of the Public Safety and Education Account-State 09v-1	(7,639,200)	(8,275,800)	(15,915,000)	(17,557,937)	(18,990,664)
Water Quality Account-State 139-1	(34,284,000)	(34,341,000)	(68,625,000)	(72,857,866)	(78,803,068)
Violence Reduction and Drug Enforcement Account-State 181-1	(52,755,000)	(55,375,000)	(108,130,000)	(117,483,600)	(127,070,262)
Student Achievement Account-State 299-1	(352,471,200)	(381,843,800)	(734,315,000)	(810,119,805)	(876,225,582)
Health Services Account-State 760-1	(625,610,000)	(700,561,000)	(1,326,171,000)	(1,486,310,218)	(1,607,593,132)
Total \$					

Estimated Expenditures from:

Fund	FY 2010	FY 2011	2009-11	2011-13	2013-15
General Fund-State 001-1	1,443,506,000	1,486,582,000	2,930,088,000	3,153,932,371	3,411,293,253
Public Safety and Education Account-State 02v-1	(100,225,000)	(100,760,000)	(200,985,000)	(213,772,416)	(231,216,246)
Education Legacy Trust Account-State 08a-1	(250,592,000)	(233,724,000)	(484,316,000)	(495,868,838)	(536,331,736)
Equal Justice Subaccount of the Public Safety and Education Account-State 09v-1	(5,361,000)	(6,356,000)	(11,717,000)	(13,484,890)	(14,585,257)
Water Quality Account-State 139-1	(34,284,000)	(33,370,000)	(67,654,000)	(70,797,792)	(76,574,892)
Violence Reduction and Drug Enforcement Account-State 181-1	(52,755,000)	(53,791,000)	(106,546,000)	(114,122,986)	(123,435,421)
Student Achievement Account-State 299-1	(374,679,000)	(358,199,000)	(732,878,000)	(759,954,998)	(821,967,325)
Health Services Account-State 760-1	(625,610,000)	(700,382,000)	(1,325,992,000)	(1,485,930,451)	(1,607,182,376)
Total \$	0	0	0	0	0

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Lisa McCollum	Phone: 360-786-7155	Date: 01/30/2009
Agency Preparation:	Stephanie Lidren	Phone: 360-902-3056	Date: 02/02/2009
Agency Approval:	Aaron Butcher	Phone: 360-902-0406	Date: 02/02/2009
OFM Review:	Mike Woods	Phone: 360-902-9819	Date: 02/03/2009

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

The bill merges eight accounts, Health Services, Violence Reduction and Drug Enforcement, Water Quality, Public Safety and Education Account, Equal Justice Account, Education Legacy Account, Student Achievement Account, and the Pension Funding Stabilization Account, into the General Fund. The revenues that currently flow into these accounts would instead be deposited into the General Fund.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Eliminating these accounts means their revenues would be deposited into the General Fund. The result nets to zero; there is no increase or decrease to any tax rates or fees. The 2009-11 cash receipt amounts are based on the November 2008 revenue forecast, plus small changes in the Governor's proposed budgets, as well as the beginning account balance for each account. The amounts for the out-years assume an estimated 4 percent revenue increase each year.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Eliminating these accounts increases expenditures to General Fund-State, but reduces the expenditures in the other accounts, resulting in a net zero change to state expenditures.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$0	\$0	\$0	\$0

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.